



May 30, 2013

Robert E. Feldman  
Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17th Street, NW.  
Washington, DC 20429

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Ignacio Veloz  
Chairman-Elect

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Secretary

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President & CEO

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\* Denotes Regional Chairman or  
Executive Committee Member

**Re: *Docket ID FDIC-2013-0043: Proposed Guidance on Deposit Advance Products***

Dear Chairman Gruenberg,

The United States Hispanic Chamber of Commerce (USHCC) would like to take the opportunity to comment on the Office of the Comptroller of the Currency's (OCC) and Federal Deposit Insurance Corporation's (FDIC) proposed guidance for bank practices regarding deposit-advance products. As the nation's largest Hispanic business association, the USHCC is concerned about the potential restriction of this financial service product and how such regulation may harm small firms.

As you may know, the Hispanic community accounts for a large portion of the nation's growth. Our entrepreneurs live and work in bustling communities all across the country, where they build and own retail stores, restaurants, dry cleaners, car dealerships, personal service firms and small boutique shops. But over the past few years, all small businesses – and Hispanic-owned firms in particular – have been hit hard.

In our current economic climate, it is imperative that small businesses have ready access to credit options in order to succeed. In many cases, store owners must have small-dollar personal loans to handle business transactions, buy inventory, pay employees. Often they seek to build credit through these viable short-term financial options. Simply put, our members use a wide array of credit products to manage their accounts. Without these options, many companies would be unable to sustain day-to-day operations.

The OCC and FDIC's proposed guidelines suggest that banks place a seemingly arbitrary limit on how often a customer can use a deposit advance. Random restrictions like these can have harmful unintended consequences on consumers, forcing them into more drastic circumstances, including not making payroll on time, paying bills late or receiving subsequent late fees.

It is vital for small businesses to continue to have the opportunity to utilize a variety of different short-term credit options, whether they choose to use a deposit advance, to overdraw their checking account, or any other comparable product. Limiting the availability of either of these important options would serve to prevent access to credit and harm small businesses' ability to operate and succeed.



Founded in 1979, the USHCC actively promotes the economic growth and development of Hispanic entrepreneurs and represents the interests of over 3 million Hispanic-owned businesses across the United States that contribute in excess of \$465 billion to the American economy each year. We also serve as the umbrella organization for more than 200 local Hispanic chambers and business associations in the United States and Puerto Rico.

On behalf of these millions of small businesses, I urge you to carefully consider the ramifications of any restrictions on a consumer's ability to access credit through the use of an overdraft protection program or deposit advance product. I respectfully ask that the OCC not take away a consumer's ability to use these important deposit-related credit products.

Respectfully submitted,

Javier Palomarez  
President and CEO  
USHCC